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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/056,181	01/24/2002	Steven B. Daum	1814-0004	9464

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EXAMINER

RUHL, DENNIS WILLIAM

ART UNIT	PAPER NUMBER
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3629

DATE MAILED: 02/03/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/056,181

Applicant(s)

DAUM, STEVEN B.

Examiner

Dennis Ruhl

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. ____. |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>2/2/04; 10/21/02</u> . | 6) <input type="checkbox"/> Other: ____. |

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With respect to the IDS of 10/21/02, the IDS is not in compliance with 37 CFR 1.97 and 1.98 and has not been considered. Nothing has been submitted for the examiner to review as far as documents go. If statement from the applicant is desired to be considered, the examiner suggests that applicant file an affidavit.

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-13 are rejected under 35 USC 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two prong test of:

1. Whether the invention is within the technological arts; and
2. Whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere idea in the abstract (i.e. abstract ideas, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e. physical sciences as opposed to social sciences for example), and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, use or advance the technological arts.

In the present case, claims 1-13 only recite an abstract idea. The recited steps of receiving a request for a reservation and deducting values from use

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allocations does not apply, involve, use, or advance the technological arts since all of the recited steps can be done with no technology at all. A reservation specialist and a potential passenger could verbally perform the recited steps, which would involve no technology at all. The recited steps only constitute an abstract idea and are not considered to be within the technological arts.

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 10,12, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

For claim 10, how can applicant claim that the first fractional owner does not own a fraction of an aircraft used in the flight? This seems to contradict what a fractional owner is by definition. If the fractional owner is not a fractional owner of the aircraft, then who are they? Is this just reciting a normal consumer making a reservation for a commercial flight? It is not clear if the first fractional owner is a fractional owner or not. A fractional ownership program could not let a non-fractional owner reserve a flight because this would then constitute a "for hire" situation which is by definition not a fractional ownership type of situation. The scope of this claim is not clear.

For claim 12, it appears that the dependency of this claim should be to 11, not 10, because as written, there is no antecedent basis for "the identification

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data", "the subsequent identification data". No data of this sort has been claimed in claim 10, but does appear in claim 11. Correction is required.

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this

Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6. Claims 11,12, are rejected under 35 U.S.C. 102(e) as being anticipated by Pugliese, III et al. (20010016825).

For claims 11,12, Pugliese discloses a system for allowing a consumer to make a reservation for an airline flight and the system also has passenger identification security measures. Paragraphs 39 and 40 discuss the consumer initially making a reservation for a flight (receiving a reservation request). See paragraph 45 where it is disclosed that passenger ID data is stored (so it has been obtained) and then when the passenger is at the airport to catch the flight, the system gathers more ID data (fingerprint, retinal, etc.) and compares the obtained and gathered data for passenger ID confirmation. If the ID of the passenger is confirmed, they are allowed to board the aircraft. With respect to

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the language defining that the passenger is "associated" with a fractional owner, this language is not taken as defining anything in particular. The passenger could be a relative of a fractional owner, a friend of a fractional owner, or a business associate of a fractional owner, all of which constitute an association with the fractional owner.

7. Claims 14-21 are rejected under 35 U.S.C. 102(b) as being anticipated by a "personal computer" such as is commonly used in consumer homes and businesses.

For claims 14-21, a personal computer inherently has a memory and a processing circuit as claimed. The memory stores data and is fully capable of storing a first and second use allocation (which are really just numbers). The language defining the fact that the memory is storing the use allocation for a fractional owner is considered to be non-functional descriptive material that does not serve as a limitation. *In re Gulack*, 217 USPQ 401 (CAFC 1983). Patentable weight will not be given to recitations directed to the *kind of data* a memory stores, unless the data is somehow functionally related to the article itself. The processor and circuitry of a personal computer are operable to subtract numbers as claimed and can store values as claimed. This is what a computer does, store data and performs arithmetic calculations. The language defining that the values being deducted are based on participation on a flight (or that the stored values are based on a fractional owner) do not define anything more than just deducting a number from another number (value). The variable that the deducted number

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represents is taken as another example of non-functional descriptive material. A number is a number and deducting a number from a value is nothing more than elementary level arithmetic. Claim 14 is reciting nothing more than a personal computer and is anticipated by a personal computer.

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 1-10,13, are rejected under 35 U.S.C. 103(a) as being unpatentable over "The fractional jet set" article (4/27/98).

For claims 1,8,9,13, the article sets forth the concept known as fractional aircraft ownership. This is basically where multiple owners pool their funds to purchase a fleet of aircraft, with each owner owning a share that has an associated number of flight hours allowable (based on the size of the share). The size of your ownership share determines how many flight hours you are allowed each year. When an owner desires to go somewhere, they put in a request for a plane and as long as you have hours (use allocation) available to deduct from, you can take your trip on an available aircraft. The use of a plane takes hours away from your total allowable hours. Two owners can make a request to fly to the same destination on the same day. It would have been

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obvious to one of ordinary skill in the art at the time the invention was made that in the event two passengers (associated with a 1st and 2nd fractional owner) want to take a trip to the same destination at the same time, they can share the cost of the flight by having $\frac{1}{2}$ of the hours come from the 1st fractional owner, and $\frac{1}{2}$ of the hours coming from the 2nd fractional owner. This claim is more or less claiming the sharing of the cost of the flight by more than one person which is considered obvious (just like sharing the cost of a dinner on a date or sharing the cost of gas for a car ride).

For claim 2, the examiner considers it inherent that the reservation request will identify a group of passengers (i.e. what company do they come from?).

For claim 3, the amount deducted is claimed as being based on the number of passengers. In the above 103 rejection, two people are flying and each pays $\frac{1}{2}$. The amount is based on the number of passengers.

Additionally for claim 3, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have the cost for the flight be determined by your share of the use of the flight. If company A has one person flying and company B has 10 people flying, the cost can be divided up by 11 parts (11 passengers total) and each person will pay their fair share. Having each person pay their fair share for whatever it is (dinner, gas, etc.) is old and well known.

For claim 4, the article discloses that hours are used for the flights, where the length of flight determines how many hours you are charged for. Claim 4 is

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reciting exactly what a fractional ownership program does you get X amount of hours to fly and each your flown comes out of your total hours usable).

For claims 5,7, when a person becomes an owner, they are given their share of hours that their share corresponds to. The hours must be given before they can be used. For example, the article discloses that a $1/16^{\text{th}}$ share equals 50 hours of flight time, so if you sign up for a $1/16^{\text{th}}$ share, you get 50 hours.

For claim 6, the recite fee can be interpreted to be the one time acquisition fee required to be in the fractional ownership program, the monthly fee that covers operating expenses/maintenance, or the hourly fee for catering, taxes, etc.. The article discloses the collection of more than one fee.

For claim 10, applicant has recited a negative limitation of who the fractional owner is not, which in the opinion of the examiner does not lend any further step or structure to the claimed method. Also, due to the 112 problem, as best understood by the examiner, claim 10 is satisfied by the prior art.

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. www.jetsales.com article "Tools for sharing corporate aircraft", 2 pages; Creed et al. (20020194037); and Aviation Advisor "The FAA proposes regulations for fractional aircraft ownership programs", 6 pages disclose methods and systems relevant to the instant application.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dennis Ruhl whose telephone number is 703-308-2262. The examiner can normally be reached on Monday through Friday.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 703-308-2702. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DENNIS RUHL
PRIMARY EXAMINER